THE HON'BLE SRI JUSTICE L. NARASIMHA REDDY

WRIT PETITION No.12984 of 2001

DATED:12.07.2006

Between:

M. Meganath and another

..Petitioner

And

The Singareni Collieries Company Limited, represented by its Chief General Manager (Projects), Kothagudem area.And another

..Respondents

THE HON'BLE SRI JUSTICE L. NARASIMHA REDDY

WRIT PETITION No.12984 of 2001

ORDER:

The petitioners challenge the action of the respondents in deducting the amount representing seigniorage fee from the bills payable to them. The petitioners state that they are petty contractors registered with the first respondent for carrying on small works. It is stated that the works of supply of C.R. hard stone of very small value have been assigned to them. It is also stated that they belong to Vaddara community and the quantity supplied by them is very small.

Heard the learned counsel for the petitioners and the learned counsel for the respondents.

Rule 26(3)(ii) of the Andhra Pradesh Minor Mineral Concessions Rules, 1966, providing for deduction of seigniorage fees, was upheld by a Full Bench of this Court in **L. Venkateswara Rao vs. Singareni Collieries**[1]. After discussing the various aspects of the matter, it was further held that such deductions can be made only in respect of bulk contractors and not petty contractors. It is not in dispute that the petitioners herein are the petty contractors.

While admitting the Writ Petition, this Court granted interim direction on 03.07.2001. The contract itself had expired. In that view of the matter, no further orders are necessary to be passed in this Writ Petition.

The Writ Petition is accordingly dismissed. There shall be no order as to costs.

_____

L. NARASIMHA REDDY, J

12th July 2006.

GJ

---

[1] 1993 (3) ALT 199 (F.B.)